

CD NO.

SUPPLEMENT TO
REPORT NO.

THIS IS UNEVALUATED INFORMATION

MONOPOLISTIC TENDENCIES APPEAR IN ENTERPRISES;
TRACTORS, TRUCKS TO BE SOLD ON FREE MARKET

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Formal proposals seeking approval to form business associations for the whole of Yugoslavia have come from various industrial branches and republics. Such proposals have been submitted by the enterprises of the electric industry, the tobacco industry, the petroleum industry, the sugar industry, and others. The electric industry has sought the establishment of an association of its production and commercial enterprises which would be similar to a joint-stock association. The Directorate for Petroleum (Direkcija za Naftu) in Zagreb has sought to establish an association which would regulate import and export, control production of petroleum derivatives, and also control the entire commercial network involved. Production enterprises are associating without official permission, and unregistered associations are being established. Today, there are about 70 associations, a large number of which were established for purposes of speculation, as was brought out at the meeting of the Council for Industry and Construction of Yugoslavia (Savjeta za Industriju i Gradjevinarstvo Vlade FNRJ).

The proposals for establishment of associations include problems which cannot be solved by federal or republic councils. These include the problem of balancing production and consumption, the specific problems of individual branches, the exchange of experiences, the understanding of technological processes involved, the problem of factories supplementing each other's production, and the exchange of ideas. This involves associating on a production and technological basis, and technical cooperation for the purpose of facilitating production.

However, the proposals for establishment of associations also include tendencies unrelated to the functions for which such organizations are established. These tendencies include the tendency toward cartelization, as in the joint-stock associations, and the limitation of commercial activity in distribution and regulation of assortments, in joint investigation of markets, and in bookkeeping, all of which are connected with the question of sharing and solving problems arising from production and market distribution.

Cartels and joint-stock associations are the designated forms and aspects of capitalistic enterprises, established to eliminate competition and create as great a profit as possible. This is not in accord with the Yugoslav understanding of what constitutes democracy and socialism, which do not permit either state monopoly or monopoly by individual economic branches or enterprises.

The Trgovinsko Poduzece "Jugopetrol" ("Jugopetrol" Commercial Enterprise) and the Agencija Rafinerije Nafta (Petroleum Refinery Agency) in Bosanski Brod are examples of monopoly. All consumers, even those who have tank cars or fuel tanks, such as railroads and other industries, must order petroleum derivatives through Agencija Rafinerije Nafta. It assigns their orders to the refinery with which "Jugopetrol" has an agreement for the delivery of such products. Because of this administrative service, which slows up delivery, "Jugopetrol" pays a charge for products which do not even pass through its warehouse.

ISSUES DECREE ON SALE OF TRACTORS, TRUCKS -- Split, Slobodna Dalmacija, 2 Feb 52

Belgrade, 1 February -- As proposed by the president of the Council for Industry and Construction of Yugoslavia (Savjeta za Industriju i Gradjevinarstvo Vlade FNRJ), the president of Yugoslavia recently issued a decree regarding the sale of tractors and trucks. By this decree, producers may sell tractors and trucks directly or through the commercial network only to agricultural co-operatives and state farms.

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